



**94TH GENERAL ASSEMBLY**  
**State of Illinois**  
**2005 and 2006**  
**HB4113**

Introduced 09/20/05, by Rep. William B. Black

**SYNOPSIS AS INTRODUCED:**

215 ILCS 5/368c  
215 ILCS 5/368f new

Amends the Illinois Insurance Code. Requires health insurers to provide certain information to the insured and the health care professional or provider when prospectively denying or certifying medical care. Makes other changes.

LRB094 13983 LJB 48864 b

1 AN ACT concerning insurance.

2 **Be it enacted by the People of the State of Illinois,**  
3 **represented in the General Assembly:**

4 Section 5. The Illinois Insurance Code is amended by  
5 changing Section 368c and by adding Section 368f as follows:

6 (215 ILCS 5/368c)

7 Sec. 368c. Remittance advice and procedures.

8 (a) A remittance advice shall be furnished to a health care  
9 professional or health care provider that identifies the  
10 disposition of each claim. The remittance advice shall identify  
11 the services billed; the patient responsibility, if any; the  
12 actual payment, if any, for the services billed; and the reason  
13 for any reduction to the amount for which the claim was  
14 submitted. For any reductions to the amount for which the claim  
15 was submitted, the remittance shall identify any withholds and  
16 the reason for any denial or reduction.

17 A remittance advice for capitation or prospective payment  
18 arrangements shall be furnished to a health care professional  
19 or health care provider pursuant to a contract with an insurer,  
20 health maintenance organization, independent practice  
21 association, or physician hospital organization in accordance  
22 with the terms of the contract.

23 (b) When health care services are provided by a  
24 non-participating health care professional or health care  
25 provider, an insurer, health maintenance organization,  
26 independent practice association, or physician hospital  
27 organization may pay for covered services either to a patient  
28 directly or to the non-participating health care professional  
29 or health care provider.

30 (c) When a person presents a benefits information card to a  
31 health care professional or health care provider, the ~~a~~ health  
32 care professional or health care provider shall make a good

1 faith effort to inform the person if the health care  
2 professional or health care provider has a participation  
3 contract with the insurer, health maintenance organization, or  
4 other entity identified on the card.

5 (Source: P.A. 93-261, eff. 1-1-04.)

6 (215 ILCS 5/368f new)

7 Sec. 368f. Prospective denial and certification of  
8 coverage.

9 (a) An insurer that prospectively denies coverage for  
10 medical treatment shall provide to the insured and the health  
11 care professional or health care provider a statement of the  
12 reasons for the denial, including, but not limited to, that the  
13 medical care is not covered under the insured's contract with  
14 the insurer or the professional or provider is not contracted  
15 with the insurer or is out-of-network. If the basis for denial  
16 is that the professional or provider is not contracted with the  
17 insurer, the insurer shall provide the insured with a list of  
18 professionals and providers that are contracted with the  
19 insurer or are in-network in the geographic area within which  
20 the insured is seeking treatment.

21 (b) An insurer that prospectively certifies coverage for  
22 medical treatment shall provide the insured and the health care  
23 professional or health care provider with a statement providing  
24 details of coverage, including, but not limited to, what is  
25 covered under the insured's contract with the insurer, the rate  
26 or percentage at which the insurer will reimburse the  
27 professional or provider for the services, and the  
28 professionals and providers that are considered in-network by  
29 the insurer in the geographic area in which the insured is  
30 seeking treatment.

31 (c) As used in this Section, "insurer" means a health  
32 insurer, health maintenance organization, independent practice  
33 association, physician hospital organization, preferred  
34 provider organization, or any other organization that provides  
35 or arranges for one or more health care plans under a system

1 that causes any part of the risk of health care delivery to be  
2 borne by the organization or its providers.